

The Budget

There is no NIMBY syndrome in this budget. We started right in our own backyard. We redefined government by downsizing, by becoming lean and efficient and by enunciating a more appropriate role for government, one that enhances growth rather than manages it.

We did this by getting out of mega projects, by cutting back on subsidies to businesses, to farms, to transportation and to mining. We feel that these sectors can sustain themselves and be competitive if we just get out of their way. They have told us this often enough and now we are doing it.

We will commercialize viable sectors like transportation so that they can be self-sustaining and so that the users pay for their services rather than all taxpayers. We will still ensure that public safety and national standards are maintained.

• (1655)

This budget clearly comprises a major turning point in our economic history. In the last few years we have been straining to govern. We have been straining to survive under the cloud of a burdensome debt and a dangerous deficit.

This economic downturn we just suffered compounded the negative impacts of the deficit and the debt by affecting our credibility in world markets. Our economic sustenance was at the beck and call of investment bankers in New York and editorial writers in Washington.

We had two choices. We could continue to ride the downhill spiral toward indebtedness and even to third world status or we could take measures to change direction. We needed a revolution and this budget has provided us with one.

Over the next two years this budget will create cumulative savings of \$13.3 billion, \$11.9 of which will represent cuts in government spending. That equals \$7 of spending cuts for every dollar of tax revenue. As a result in 1996-1997 our economic growth will finally be greater than the growth in our debt.

This is a key element. It marks the turning point in our indebtedness as a nation. It means that we will be taking in more money than we are borrowing for the first time since World War II. We have finally turned the corner.

Contrary to the rhetoric spawned by the furious and impetuous reaction of opposition parties and other groups, this budget does not reduce our commitment to social programs. I think rather it enshrines it. By taking control of our finances we have regained our sovereignty and our ability to make our own decisions about the kind of social democracy we want to live in. We have empowered ourselves so that we can make decisions based on our values as a people; values of compassion and of social justice, values that see government's role as one which creates opportunity for all, one which removes obstacles and one which protects the most vulnerable in our society.

This budget will let us protect our social programs from the investment bankers and editorialists of the world. By achieving our deficit targets we are taking action to prevent New York or Tokyo from in effect running our country and defining our social programs. A Liberal government could never allow that to happen.

I am glad to see that this budget, tough as it is, was not balanced on the backs of the poor, the sick and the elderly. As Parliamentary Secretary to the Minister of Health, I am pleased to note that his budget in no way affects the medicare standards and principles that are so dear to us and that are enshrined in the Canadian Health Act. Health care delivery across this country will continue to be comprehensive, universal, portable, accessible and administered by the public. In the red book we committed to ensuring that these principles are upheld and we are keeping that promise.

Yesterday in a typical knee-jerk reaction to the speech by the Minister of Finance, the Leader of the Opposition and his finance critic stated that the budget was merely another confirmation of status quo federalism. It is clear that the Leader of the Opposition did not read the document, or if he did he did not understand it.

The budget does the exact opposite. It clearly marks the beginning of a new era of federalism and of federal-provincial relations. It is a move in the direction of a leaner, more efficient, more accountable system which recognizes provincial responsibilities and the ability to redesign and redeliver effective services at the local level; the bottom up approach that the opposition parties so often tout but are reluctant to implement.

In reading the newspapers this morning I noticed that much of the media has focused its concerns on the new system of block funding, the Canada social transfer which will result, it says, in fewer services being provided by the provinces. On the contrary, with the new system of lump sum transfer payments, our government is in effect giving the provinces greater flexibility and greater leverage in the administration of their social programs.

The federal government's role has been redefined but in a positive way. I firmly believe that these changes will provide a window of opportunity for us to set clear national standards for all social programs. This is a move that my constituents and groups across this country have advocated for years.

Instead of balkanizing the country, this move will allow us to set national objectives for education and social security like we have done so successfully with health care.

• (1700)

Since its inception medicare has given over the management and administration of health care to the provinces governed by a set of principles enshrined in the Canada Health Act. This has created a health system that binds us together as Canadians, a system of which we are duly proud, a system that has freed the federal health department to concentrate on the broader issues